

Michigan Energy Package

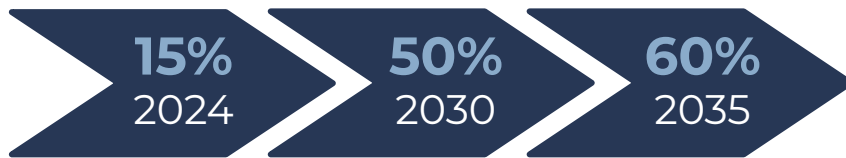
Three Key Issues for Electric Co-ops

Michigan's energy future is undergoing a significant transformation with the recent signing of a comprehensive set of bills by Governor Gretchen Whitmer. The bills passed swiftly on party lines, with House and Senate Democrats comprising all the support for the package of bills.

1 100% CLEAN ENERGY STANDARD

PHASE 1: Renewable Energy Standard Targets

(Solar, wind, hydro, biomass, landfill, geothermal)



4x

Current level of renewables needed to meet 60% target

PHASE 2: Clean Energy Standard Targets

(Renewables, nuclear, new technologies)



Michigan co-ops remain concerned about the pace and magnitude of these mandates that are expected to have a dramatic impact on electric reliability and affordability.

Fortunately, Palisades' output qualifies to meet the new renewable and clean energy requirements offering an opportunity to comply with reliable, stable, and carbon free energy for decades to come.

2 ENERGY WASTE REDUCTION REQUIREMENT FOR CO-OPS

All Michigan electric providers must administer an energy waste reduction (EWR) program beginning January 1, 2025.



Co-op boards oversee EWR plan filings and compliance reporting



TARGET:
1.5% energy savings annually



Co-ops can include beneficial electrification - must show reduced overall energy consumption, GHG emissions and cost savings for member

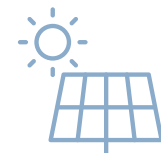


Must allocate 25% of total spending to low-income programs

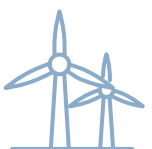
3 RENEWABLE ENERGY SITING



While it doesn't directly impact co-ops, the bill empowers the **Michigan Public Service Commission** to issue permits for larger solar and wind systems. Prior, localities held exclusive control over siting.



Solar over 50MW



Wind over 100MW